

SENATE RESOLUTION 280—RELATIVE TO THE CRASH OF TWA FLIGHT 800

Mr. SPECTER (for himself, Mr. SANTORUM, Mr. D'AMATO, Mr. MOYNIHAN, and Mr. LAUTENBERG) submitted the following resolution; which was considered and agreed to:

S. RES. 280

Whereas, on July 17, 1996, Trans World Airlines Flight 800 tragically crashed en route from New York to Paris, France, creating a tremendous and tragic loss of life estimated at 229 men, women, and children;

Whereas, according to Daniel L. Chandler, Principal of Montoursville, Pennsylvania High School, among those traveling on board this airplane were 16 members of the Montoursville High School French Club, who were among the very best students of the French language at their school, and their five adult chaperones, who generously devoted their time to making possible this planned three-week French Club trip to visit Paris and the French provinces;

Whereas, the actual cause of the airplane crash is as of yet unknown;

Whereas, the federal government is investigating the cause of this tragedy; Now, therefore, be it

Resolved, That the Senate of the United States—

(1) expresses its condolences to the families, friends and loved ones of those whose lives were taken away by this tragic occurrence; and

(2) expresses its sincere hope that the cause of this tragedy will be determined through a thorough investigation as soon as possible.

SENATE RESOLUTION 281—TO AUTHORIZE REPRESENTATION BY SENATE LEGAL COUNSEL

Mr. DASCHLE submitted the following resolution; which was considered and agreed to:

S. RES. 281

Whereas, in the case of *James Lockhart v. United States, et al.*, No. C95-1858Z, pending in the United States District Court for the Western District of Washington, the plaintiff has named Senator Trent Lott and former Senator Robert J. Dole as defendants;

Whereas, pursuant to sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(1)(1994), the Senate may direct its counsel to defend its Members in civil actions relating to their official responsibilities; Now, therefore, be it *Resolved*, That the Senate Legal Counsel is authorized to represent Senator Lott and former Senator Dole in the case of *James Lockhart v. United States, et al.*

AMENDMENTS SUBMITTED

THE PERSONAL RESPONSIBILITY, WORK OPPORTUNITY, AND MEDICAID RESTRUCTURING ACT OF 1996

LOTT AMENDMENT NO. 4894

Mr. LOTT proposed an amendment to the bill (S. 1956) to provide for reconciliation pursuant to section 202(a) of the concurrent resolution on the budget for fiscal year 1997; as follows:

On page 663, strike line 9, through page 1027, line 20.

ABRAHAM (AND LIEBERMAN)
AMENDMENT NO. 4895

(Ordered to lie on the table.)

Mr. ABRAHAM (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by them to the bill, S. 1956, supra; as follows:

At the appropriate place, insert:

TITLE —ENVIRONMENTAL
REMEDATION COSTS

SEC. 00. AMENDMENT OF 1986 CODE.

Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

Subtitle A—In General

SEC. 01. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

(a) IN GENERAL.—Part II of subchapter V of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

“SEC. 1395. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

“(a) TREATMENT AS EXPENSE.—A taxpayer may elect to treat any environmental remediation cost as an expense which is not chargeable to capital account. Any cost so treated shall be allowable as a deduction for the taxable year in which the cost is paid or incurred.

“(b) ENVIRONMENTAL REMEDIATION COST.—For purposes of this section—

“(1) IN GENERAL.—The term ‘environmental remediation cost’ means any cost which—

“(A) is chargeable to capital account,

“(B) is paid or incurred in connection with the abatement or control of environmental contaminants at a site located within an empowerment zone or enterprise community, and

“(C) is certified by the applicable Federal or State authority as being required by, and in compliance with, applicable Federal and State laws governing abatement and control of environmental contaminants.

“(2) EXCEPTIONS.—Such term shall not include any amount paid or incurred—

“(A) for equipment which is used in the environmental remediation and which is of a character subject to an allowance for depreciation or amortization, or

“(B) in connection with a site which is on the national priorities list under section 105(a)(8)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605(a)(8)(B)).

“(c) SPECIAL RULES.—For purposes of this section—

“(1) LIMITATION BASED ON INCOME FROM TRADE OR BUSINESS.—The amount allowed as a deduction under subsection (a) for any taxable year shall not exceed the aggregate amount of taxable income of the taxpayer for such taxable year which is derived from the active conduct by the taxpayer of any trade or business during such taxable year. For purposes of this paragraph, rules similar to the rules of subparagraphs (B) and (C) of section 179(b)(3) shall apply. In the case of a partnership, S corporation, trust or other pass thru entity, this paragraph shall be applied at both the entity and owner levels.

“(2) RECAPTURE RULES.—

“(A) PROPERTY NOT USED IN TRADE OR BUSINESS.—The Secretary shall, by regulations, provide for recapturing the benefit of any deduction allowable under subsection (a) with respect to any property not used predominantly in a trade or business at any time.

“(B) TREATMENT OF GAIN AS ORDINARY INCOME.—For purposes of section 1245—

“(i) the deduction allowable under subsection (a) shall be treated as a deduction allowable to the taxpayer for depreciation or amortization; and

“(ii) property (other than section 1245 property) to which the deduction would otherwise have been chargeable shall be treated as section 1245 property solely for purposes of applying section 1245 to such deduction.”

(b) CONFORMING AMENDMENTS.—The table of sections for part II of subchapter U of chapter 1 of such Code is amended—

(1) by striking “TAX-EXEMPT FACILITY BONDS” in the heading for part II and inserting “TAX-INCENTIVES”, and

(2) by adding at the end the following new item:

“Sec. 1395. Expensing of environmental remediation costs.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after the date of the enactment of this Act.

Subtitle B—Treatment of Individuals Who Expatriate

SEC. 31. REVISION OF TAX RULES ON EXPATRIATION.

(a) IN GENERAL.—Subpart A of part II of subchapter N of chapter 1 is amended by inserting after section 877 the following new section:

“SEC. 877A. TAX RESPONSIBILITIES OF EXPATRIATION.

“(a) GENERAL RULES.—For purposes of this subtitle—

“(1) MARK TO MARKET.—Except as provided in subsection (f), all property of a covered expatriate to which this section applies shall be treated as sold on the expatriation date for its fair market value.

“(2) RECOGNITION OF GAIN OR LOSS.—In the case of any sale under paragraph (1)—

“(A) notwithstanding any other provision of this title, any gain arising from such sale shall be taken into account for the taxable year of the sale unless such gain is excluded from gross income under part III of subchapter B, and

“(B) any loss arising from such sale shall be taken into account for the taxable year of the sale to the extent otherwise provided by this title, except that section 1091 shall not apply (and section 1092 shall apply) to any such loss.

“(3) EXCLUSION FOR CERTAIN GAIN.—The amount which would (but for this paragraph) be includible in the gross income of any individual by reason of this section shall be reduced (but not below zero) by \$600,000. For purposes of this paragraph, allocable expatriation gain taken into account under subsection (f)(2) shall be treated in the same manner as an amount required to be includible in gross income.

“(4) ELECTION TO CONTINUE TO BE TAXED AS UNITED STATES CITIZEN.—

“(A) IN GENERAL.—If an expatriate elects the application of this paragraph—

“(i) this section (other than this paragraph) shall not apply to the expatriate, but

“(ii) the expatriate shall be subject to tax under this title, with respect to property to which this section would apply but for such election, in the same manner as if the individual were a United States citizen.

“(B) LIMITATION ON AMOUNT OF ESTATE, GIFT, AND GENERATION-SKIPPING TRANSFER TAXES.—The aggregate amount of taxes imposed under subtitle B with respect to any transfer of property by reason of an election under subparagraph (A) shall not exceed the amount of income tax which would be due if the property were sold for its fair market value immediately before the time of the